

Adopted	Rejected
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COMMITTEE REPORT

YES:	20
NO:	4

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1866, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 2, line 18, delete "five percent (105%)" and insert "**seven**
- 2 **percent (107%)**".
- 3 Page 2, line 37, delete "ninety percent (90%)" and insert "**one**
- 4 **hundred percent (100%)**".
- 5 Page 2, delete lines 38 through 42.
- 6 Page 3, delete line 1.
- 7 Page 3, line 2, delete "(9)" and insert "**(8)**".
- 8 Page 3, line 8, delete "(10)" and insert "**(9)**".
- 9 Page 3, line 14, delete "(11)" and insert "**(10)**".
- 10 Page 3, line 32, delete "days (150)" and insert "**(150) days**".
- 11 Page 3, line 39, delete "(12)" and insert "**(11)**".
- 12 Page 4, line 20, delete "(13)" and insert "**(12)**".
- 13 Page 4, line 23, delete "(14)" and insert "**(13)**".
- 14 Page 4, line 27, delete "(15)" and insert "**(14)**".
- 15 Page 4, line 36, delete "(16)" and insert "**(15)**".
- 16 Page 5, line 36, delete "(17)" and insert "**(16)**".

Page 5, between lines 38 and 39, begin a new paragraph and insert:
 "SECTION 2. [EFFECTIVE UPON PASSAGE] (a) **The definitions in this SECTION apply throughout SECTIONS 3 through 8 of this act.**

(b) **"Bed" refers to a comprehensive care bed.**

(c) **"Fund" refers to the eldercare trust fund established by this act.**

(d) **"Health facility" refers to a health facility that is licensed under IC 16-28 as a comprehensive care facility.**

(e) **"Office" refers to the office of Medicaid policy and planning.**

(f) **"Patient day" refers to a patient day as reported on:**

(1) **a health facility's Medicaid cost report if the facility participates in the Medicaid program; or**

(2) **the form developed by the office under this act if the facility does not participate in the Medicaid program.**

(g) **This SECTION expires August 1, 2003.**

SECTION 3. [EFFECTIVE JULY 1, 2001] (a) **The eldercare trust fund is established. The fund consists of the money deposited in the fund from the reimbursement allowance collected under this act.**

(b) **The expenses of administering the fund shall be paid from money in the fund.**

(c) **Interest that accrues from investing the money in the fund shall be deposited in the fund.**

(d) **The money in the fund shall be used to pay the state's share of the costs to supplement and enhance reimbursement to nursing facilities for Medicaid services provided under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.) as required by SECTION 1 of this act.**

(e) **The money in the fund may not be used to reduce or replace the amount of state money that otherwise is being paid as of July 1, 2001, or that otherwise would be paid after July 1, 2001, if this act had not been enacted to reimburse nursing facilities for Medicaid services provided under Title XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.).**

(f) **All federal financial participation that is obtained due to the expenditure required by subsection (d) shall be expended to supplement and enhance reimbursement to nursing facilities for Medicaid services provided under Title XIX of the federal Social**

1 Security Act (42 U.S.C. 1396 et seq.) as required by SECTION 1 of
2 this act.

3 (g) If federal financial participation becomes unavailable to
4 match money from the fund for the purpose of supplementing and
5 enhancing reimbursement to nursing facilities for Medicaid
6 services provided under Title XIX of the federal Social Security
7 Act (42 U.S.C. 1396 et seq.), the office shall cease collection of the
8 reimbursement allowance under this act and refund all of the
9 money remaining in the fund.

10 (h) This SECTION expires August 1, 2003.

11 SECTION 4. [EFFECTIVE AUGUST 1, 2001] (a) The office shall
12 collect a reimbursement allowance from each health facility of four
13 dollars and sixty-five cents (\$4.65) for each patient day in the
14 health facility. The office shall deposit the money collected in the
15 eldercare trust fund.

16 (b) This SECTION expires August 1, 2003.

17 SECTION 5. [EFFECTIVE JULY 1, 2001] (a) This SECTION
18 applies only to health facilities that participate in the Medicaid
19 program.

20 (b) The office shall do the following:

21 (1) Determine the number of patient days for each health
22 facility for the previous Medicaid cost reporting period.

23 (2) Determine the amount of the annual reimbursement
24 allowance for each health facility based upon the number of
25 patient days. The reimbursement allowance shall be adjusted
26 on an annual basis effective the first day of the second
27 calendar quarter following the end of the facility's Medicaid
28 cost reporting year.

29 (3) Notify each health facility each year not later than thirty
30 (30) days after receipt of the facility's cost report of the
31 amount of the annual reimbursement allowance.

32 (4) Withhold one-twelfth (1/12) of each health facility's annual
33 reimbursement allowance each month through the Medicaid
34 claims payment system. The annual reimbursement allowance
35 shall be collected against the claims for service dates that
36 coincide with the period that the allowance is in effect.

37 (c) The reimbursement allowance collected under this act is
38 considered an allowable cost for Medicaid reimbursement

purposes in the administrative rate component.

(d) The office may not begin collection of the reimbursement allowance under this act before the office calculates and begins paying new reimbursement rates under SECTION 1 of this act.

(e) This SECTION expires August 1, 2003.

SECTION 6. [EFFECTIVE JULY 1, 2001] (a) This SECTION applies only to health facilities that do not participate in the Medicaid program.

(b) The office shall develop and distribute to each health facility subject to this SECTION a form that will collect the following data:

(1) Total number of beds in the health facility.

(2) Number of patient days during the previous tax reporting period.

(c) Each health facility shall complete and submit the form on an annual basis not later than ninety (90) days after the end of the facility's tax reporting period. The period for this report is equal to the facility's tax reporting period.

(d) The office shall do the following:

(1) Determine the amount of the annual reimbursement allowance for each health facility based upon the number of patient days during the previous tax reporting period. The reimbursement allowance shall be adjusted on an annual basis effective the first day of the second calendar quarter following the end of the facility's tax reporting year.

(2) Notify each health facility each year not later than thirty (30) days after receipt of the facility's form of the amount of the annual reimbursement allowance.

(e) Each facility shall pay one-twelfth (1/12) of the facility's annual reimbursement allowance to the office not later than the tenth day of each month beginning in August 2001 and ending in July 2003.

(f) This SECTION expires August 1, 2003.

SECTION 7. [EFFECTIVE UPON PASSAGE] (a) This SECTION applies only to health facilities that participate in the Medicaid program.

(b) Before July 1, 2001, the office shall do the following:

(1) Determine the number of patient days for each health

1 facility for the previous Medicaid cost reporting period.

2 (2) Determine the amount of the annual reimbursement
3 allowance for each health facility based upon the number of
4 patient days.

5 (3) Notify each health facility of the amount of the annual
6 reimbursement allowance.

7 (c) This SECTION expires July 1, 2001.

8 SECTION 8. [EFFECTIVE UPON PASSAGE] (a) This SECTION
9 applies only to health facilities that do not participate in the
10 Medicaid program.

11 (b) Before June 1, 2001, the office shall develop and distribute
12 to each health facility subject to this SECTION a form that will
13 collect the following data:

14 (1) Total number of beds in the health facility.

15 (2) Number of patient days during the previous tax reporting
16 period.

17 (c) Before June 15, 2001, each health facility shall complete and
18 submit the form. The period for this report is equal to the facility's
19 tax reporting period.

20 (d) Before July 1, 2001, the office shall do the following:

21 (1) Determine the amount of the annual reimbursement
22 allowance for each health facility based upon the number of
23 patient days during the previous tax reporting period.

24 (2) Notify each health facility of the amount of the annual
25 reimbursement allowance.

26 (e) This SECTION expires July 1, 2001."

27 Page 6, line 1, delete "SECTION 1 of".

28 Page 6, line 7, delete "SECTION 1 of".

29 Page 6, line 25, after "." insert "The state's rate setting contractor
30 shall include in the calculation of:

31 (1) the administrative medians for rate effective dates of July
32 1, 2001, through September 30, 2002; and

33 (2) each provider's reimbursement rates with rate effective
34 dates of July 1, 2001, through September 30, 2002;

1 **the initial amount of the reimbursement allowance that the**
2 **provider will pay under this act.".**

3 Renumber all SECTIONS consecutively.
 (Reference is to HB 1866 as introduced.)

and when so amended that said bill do pass.

Representative Bauer